



Simple. Safe. Secure.

Choose Direct Deposit To Receive Your Federal Benefits

Betty Harner spent a lifetime raising a family, handling a career and running countless errands. So, when it came time to collect Federal retirement benefits, Harner made a decision that would make her life less hectic.

She chose Direct Deposit.

“By getting Direct Deposit, I don’t have to worry about actually going to the bank to deposit my check,” said Harner, 74, of St. Marys, Ohio, who has been receiving her Social Security payments via Direct Deposit for the last nine years.

“It’s automatically there.”

And she’s not the only one who discovered that Direct Deposit is the simple, safe and secure way to receive Social Security, Supplemental Security Income or Veterans benefits. Today, millions of Americans have their payments sent directly to their accounts through Direct Deposit. According to the U.S. Treasury Department, more than 74 percent of benefit payments are now made electronically, and the numbers increase every month.

For more than 20 years, the Federal government has offered Direct Deposit as a choice to Social Security and other Federal benefit recipients. The Treasury Department’s EFT Campaign encourages electronic funds transfer – Direct Deposit – of Federal benefits.

“We want to provide individuals with the ability to receive their money in the safest, quickest and most convenient way possible,” said Don Hammond, Fiscal Assistant Secretary for the Treasury, “Direct Deposit is the best way to accomplish this goal.”

Local and national financial institutions also view Direct Deposit as the most convenient way to bank.

“As a community bank, we like to see our customers in person,” said Barbara Mountain, manager of deposit services for First National Bank of Bemidji. “But we’re located in northern Minnesota and with the uncontrollable weather conditions, sometimes it’s very difficult to get to the bank.”

“We really want people to know about the safety and security of Direct Deposit so they’re not sitting at home worrying about getting their check to the bank.”

Consider this: statistics show that recipients are 26 times more likely to have a problem with a paper check than with a Direct Deposit transaction. Last year, the Treasury received more than 1.3 million claims for checks that were lost, stolen or not received.

Similarly, the government deals annually with nearly \$40 million in forged checks, \$3 million in counterfeit and \$1 million in altered checks. Forgeries, counterfeiting and check alterations do not occur with Direct Deposit transactions.

To get Direct Deposit, recipients simply need to talk to a representative at a local bank, savings and loan, or credit union, or call the agency issuing the benefits. Federal benefit recipients who don't have an account at a financial institution can sign up for the new Electronic Transfer Account (ETASM), a low-cost account developed specifically by the Treasury Department to allow recipients to get their benefits transferred electronically. To obtain the names and locations of financial institutions offering the ETA, call (888) 382-3311.

In addition to offering benefit recipients a simple, safe and secure way to get their Federal payments, Direct Deposit saves taxpayers millions of dollars annually in processing costs. The cost to the Federal government to process a paper check is at least 28 cents more than to process a Direct Deposit payment.

"The trend is moving toward managing your finances electronically," Harner said. "It's a real simple thing to do and it helps that it also saves me money."